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March 11, 1999

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PROBRAL GRAMFANICATIONS COMMISSION SPRICE OF THE SECRETARY

Magalie Roman Salas, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Re:

Applications for Transfer of Control to SBC Communications, Inc. of Licenses Held by Ameritech Corporation, CC Docket No. 98-141

Dear Ms. Salas:

By Hand Delivery

On March 1, 1999, Ameritech Communications, Inc. and Ameritech Mobile Communications, Inc., two wholly owned subsidiaries of Ameritech, Inc. which hold authorizations to provide international telecommunications services pursuant to Section 214 of the Communications Act, filed notifications of affiliations with foreign carriers with the Commission pursuant to Section 63.11 of the Commission's rules. Copies of these notifications are enclosed. The information in these notifications supersedes similar information that was provided to the Commission in this Docket on February 1, 1999, by Todd Silbergeld, Director-Federal Regulatory, SBC Communications, Inc.

If you have any questions concerning this filing, please contact the undersigned.

Sincerely,

1) itt (T 2 like David H. Pawlik

Counsel for Ameritech Corporation

Enclosures

cc:

Mr. Sherille Ismail

Ms. Radhika Karmarkar

Mr. Christopher Heimann

Mr. Todd Silbergeld

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PROBRAL COMMISSION COMMISSION OF THE SECRETARY

Suite 1029 1401 H Street, N.W. Washington, DC 20005 Office: 202/326-3818 Fax: 202/326-3826

Christopher M. Heimann Director of Legal Affairs Washington Office

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CEDERAL COMMUNICATIONS COMMISSIONS
OFFICE OF THE SECRETARY

February 26, 1999

Magalie Roman Salas Secretary Federal Communications Commission The Portals 445 12th Street, S.W. Washington, D.C. 20554

Re: Notifications of Foreign Affiliation

Dear Ms. Salas:

In accordance with section 63.11 of the Commission's rules, 47 C.F.R. § 63.11, enclosed for filing with the Commission are notifications by Ameritech Communications, Inc. ("ACP"), and Ameritech Mobile Communications, Inc. ("AMCP"), of affiliation with entities that are "foreign carriers," as defined in section 63. 18(h)(1)(ii) of the Commission's rules, 47 C.F.R. § 63.18(h)(1)(ii). The enclosed notifications update and supersede notifications of affiliation filed by ACI (FCC File No. FCN-98-001) and AMCI (FCC File No. FCN-98-002) on February 6, 1998, and amendments thereto filed on June 5, 1998.

Any questions regarding the attached notifications should be directed to the undersigned.

Attachments

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

Ameritech Communications, Inc.)	
Notification of)	ITC-96-441
Foreign Affiliation)	ITC-96-272
Pursuant to Section 63.11)	ITC-97-289
of the Commission's Rules)	
)	

NOTIFICATION OF AFFILIATION WITH FOREIGN CARRIERS

Ameritech Communications, Inc. ("ACF"), pursuant to Section 63.11 of the Commission's rules, 47 C.F.R § 63.11, respectfully submits this notification of affiliation with entities that are "foreign carriers" as defined by Section 63.18(h)(1)(ii). ACI is authorized to: (i) resell, on a non-dominant basis, the international switched services of unaffiliated U.S. international carriers for the provision of international switched services originating from certain U.S. points and terminating at all international points; (ii) provide limited global resale services, excluding Hungary; and (iii) operate as a facilities-based carrier for communications terminating at international points excluding Hungary. ¹

ACI has previously notified the Commission of its affiliation, through Ameritech Luxembourg S.àr.l ("ALS"), an indirect subsidiary of Ameritech Corporation ("Ameritech"), ACI's parent corporation, with Tele Danmark A/S ("Tele Danmark"), a

¹ ACI is authorized to provide international services originating from U.S. points except for the in-region states served by Ameritech telephone operating companies.

foreign carrier providing telecommunications services to the public in Denmark.² ACI has recently learned that Tele Danmark has acquired interests in certain foreign carriers,³ one of which constitutes a foreign affiliate of ACI under section 63.18(h)(1)(ii).

Consequently, in accordance with section 63.11, ACI certifies the following:

1. Identity of Foreign Carriers. Through Tele Danmark's acquisition of interests in foreign subsidiaries, ACI became affiliated with UAB Mobilios Telekomunikacijos ("Bite"), a carrier authorized to provide wireless services in Lithuania.

As noted above, ACI has previously notified the Commission of its affiliation with Tele Danmark. ACI has also notified the Commission that it was affiliated, through Tele Danmark, with Tele Danmark Internetz, GmbH ("TDK Internetz") and Talkline GmbH ("Talkline"), two German carriers. Talkline and TDK Internetz merged in 1998.

Talkline, the surviving entity, provides mobile communications services in Germany.

In addition, ACI previously reported that Tele Danmark had received authorizations to provide cellular service in the Netherlands, and therefore that ACI had acquired an affiliation with a foreign carrier (Tele Danmark) authorized to provide cellular services in the Netherlands. Subsequently, Tele Danmark transferred its cellular authorizations in the Netherlands to BEN Netherland B.V. (BEN Netherland), which recently began providing GSM 1800 wireless services in the Netherlands. Ameritech,

² See Ameritech Communications, Inc., Notification of Foreign Affiliation, FCC File No. FCN-98-001 (filed Feb. 6, 1998), and Amendment to Notification of Affiliation with Foreign Carriers, FCC File No. FCN-98-001 (filed Jun. 5, 1998) ("June 5 Amendment").

³ See Tele Danmark USA, Inc., Notification of Foreign Affiliations Pursuant to 47 C.F.R. § 63.11, FCC File No. _____ (filed Feb. 2, 1999).

⁴ Notification of Foreign Affiliation, FCC File No. FCN-98-001.

⁵ See June 5 Amendment.

ACI's parent corporation, owns an indirect, non-controlling interest in BEN Netherland sufficient to constitute an affiliation between BEN Netherland and ACI under section 63.18(h) of the Commission's rules.

ACI has further notified the Commission of its affiliation with MATÁV Rt, a foreign carrier providing telecommunications services to the public in Hungary.⁶

Each of the foregoing countries, except for Lithuania, is a member of the World

Trade Organization ('WTO") and a signatory to the WTO Basic Telecommunications

Agreement.⁷

ACI is authorized to resell, on a non-dominant basis, the international switched services of unaffiliated U.S. international carriers for the provision of international switched services originating from certain U.S. points and terminating at all international points. See File No. ITC-96-272. ACI is also authorized to provide limited global resale services to each of the countries in question, excluding Hungary. See FCC File No. ITC-96-441. In addition, ACI is authorized to operate as a facilities-based carrier for communications terminating in each of the countries in question and other international points, excluding Hungary. See FCC File No. ITC-97-289.

2. ACI Ownership. ACI is a Delaware Corporation with headquarters at 9525
West Byrn Mawr, Rosemont, Illinois 60018. ACI is wholly owned by Ameritech, a
publicly traded Delaware corporation with headquarters at 30 South Wacker Drive,
Chicago, Illinois 60606.8 Through its subsidiaries, Ameritech provides local exchange

⁶ See NYNEX Long Distance Co. et. al., 11 FCC Rcd 8685, 8692 (1996).

⁷ See Fourth Protocol to the General Agreement on Trade in Services ("GATS"), April 30, 1996, 36 I.L.M. 366 (1997).

⁸ On May 10, 1998, Ameritech concluded an Agreement and Plan of Merger with SBC Communications, Inc. ("SBC"), pursuant to which Ameritech would merge with and become a wholly-owned subsidiary of

telephone services and other communications services to the public. No individual or entity directly or indirectly holds 10 percent or more of the stock of Ameritech. There are no interlocking directorates between ACI and Bite, or between ACI and BEN Netherland.

- 3. Private Line Resale. ACI is authorized to resell the international private line services of unaffiliated U.S. carriers on the Lithuania and Netherlands routes. Bite owns or controls telecommunications facilities in Lithuania, and BEN Netherland owns such facilities in the Netherlands.
- 4. Special Concessions. ACI has not agreed to accept special concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market, and will not enter into any such agreements in the future, except as permitted by section 63.14 of the Commission's rules.

5. Regulatory Status.

(a) Hungary. ACI does not have authority to provide facilities-based services to Hungary. Because ACI provides its international resale services on the U.S.-Hungary route solely through the resale of services provided by unaffiliated U.S. carriers, ACI is presumptively non-dominant in its provision of resale service to Hungary under Section 63.10(a)(4).

SBC. Following the merger, SBC will own all of the stock of Ameritech, which will continue to own the stock of its subsidiaries (including ACI). On July 24, 1998, SBC and Ameritech filed joint applications for Commission approval of the transfer of control to SBC of licenses and authorizations controlled or requested by Ameritech or its affiliates or subsidiaries, which would occur as a result of the proposed merger. See Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations from Ameritech Corporation to SBC Communications, Inc., CC Docket 98-141 (filed July 24, 1998). Those applications are still pending.

- (b) Germany. Talkline provides mobile communications services by connecting customers to different mobile operators' networks, and has far below 50 percent of the market share of the international transport and local access markets in Germany. Therefore, Talkline, "does not have the ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities in the [German] market." Further, Talkline does not have the power to affect competition adversely in the U.S. market. Accordingly, pursuant to Section 63.10(a)(3), ACI is entitled to a presumption of non-dominant status on routes between the U.S. and Germany.
- (c) **Denmark.** Tele Danmark has greater than 50 percent of the market share in the international transport and local access markets in Denmark.
- (d) The Netherlands. ACI is presumptively non-dominant in its provision of service to the Netherlands under section 63.10(a)(3) because BEN Netherland has far less than a 50 percent market share in the international transport and local access markets in the Netherlands.
- (e) Lithuania. ACI is entitled to a presumption of non-dominance on the U.S.-Lithuania route under section 63.10(a)(3) because Bite has far less than a 50 percent market share in the international transport and local access markets in Lithuania.

^{9 47} C.F.R. § 63.18(h)(6)(ii).

Questions regarding this notification should be addressed to: Christopher M. Heimann, Suite 1020, 1401 H Street, N.W., Washington, D.C. 20005; phone 202-326-3818.

Respectfully Submitted,

Leander R. Valent

Vice President and General Counsel Ameritech Communications, Inc.

February 24, 1999